

1 **Q. Further to the previous two questions, does Ms. McShane still believe that**
2 **Newfoundland Power would have a different business profile score than the typical**
3 **business score of the U.S. electric utilities?**
4

5 A. S&P has not used business profile scores since late 2007. It now assigns one of six
6 business risk rankings to each of the companies it rates, which range from “Excellent” to
7 “Vulnerable”. The majority of Canadian utilities rated by S&P are in the “Excellent”
8 category, with notable exceptions being Maritime Electric and Nova Scotia Power, both
9 rated in the second category from the top, “Strong”. An “Excellent” ranking is given to
10 the majority of U.S. electric and gas utilities. Twelve of the 13 companies in Ms.
11 McShane’s sample are rated “Excellent”. Ms. McShane would expect that, if
12 Newfoundland Power were still rated by S&P, its stand alone business risk rating would
13 be “Excellent”.